Restructuring Package Evolved by Board of UCO Bank

2241. SHRI GURUDAS DAS GUPTA:
SHRI JALALUDIN ANSARI:

Will the Minister of FINANCE be pleased to state:

(a) whether the UCO Bank Board has evolved a restructuring package envisaging closure of some of its branches, VRS for thousands of employees, freeze on wage hikes etc; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The UCO Bank has reported that the Bank's Board of Directors have constituted a Sub-committee to look into the various aspects which have an impact on the banks revival. After finalising report, the Sub-committee will submit it to the Board of Directors.

(b) Does not arise.

Setting up a Working Group for revival of Weak Public Sector Banks

2242. SHRI GURUDAS DAS GUPTA:
SHRI JALALUDIN ANSARI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has decided to set up a working group to suggest measures for revival of weak public sector banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) and (b) Reserve Bank of India has reported that a Working Group has been set up to suggest measures for revival of weak Public Sector Banks. The Chairman of the Working Group is Shri M. S. Verma, former Chairman, State Bank of India. The other members of the Working Group includes Shri K. R. Ramamurthy, Chairman, Vysya Bank Limited, Shri M. M. Chitale, Chartered Accountant, Shri P. K. Choudhury, Managing Director, Investment Information and Credit Rating Agency, Shri J. R. Prabhu, former Executive Director, Reserve Bank of India and Dr. Sushil Chandra, former Director, International Management Institute, New Delhi.

EOU status for Foreign Cigarette Firms

2243. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item which appeared in the Economic Times dated the 12th February, 1999 captioned "MOF wants 100% foreign cigarette firms to be EOUs";

(b) if so, what are the details of this policy;

(c) whether it is a fact that many MNCs want to enter this sector without export obligations; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) and (b) Yes Sir, the Government is aware of the captioned news item. The Policy for permitting 100% Foreign Investment in tobacco sector is under consideration of the Government.

(c) and (d) The Government has received two proposals for investment in this sector from M/s. Rothmans of Pall Mall (International) Ltd., U.K. and